Ottawa, April 7, 2006
2006-006

Minister of Finance Tables 2006–07 Debt Management Strategy

Related Document:

- Debt Management Strategy - 2006–2007

Minister of Finance James M. Flaherty today tabled the Government of Canada's *Debt Management Strategy* for fiscal year 2006–07 in Parliament.

The Minister said that the *Debt Management Strategy* is focused on maintaining a prudent debt structure and an efficient market for Government of Canada securities.

Reflecting the Government's declining borrowing needs, the strategy has aimed since 2002–03 to reduce the fixed-rate portion of the debt to 60 per cent in 2007–08 from two thirds. Once complete, this is estimated to save up to $500 million a year on average.

Among other changes, the maturity date of new 5-year bond issues will change from

September 1 to June 1 to make them interchangeable with outstanding bonds. The Government will continue to issue all the current benchmark bonds (i.e. 2-, 5-, 10- and 30-year). It will forgo one quarterly auction of the 2- and 5-year bonds where previous bond issues already provide a source of liquidity to the marketplace.

The *Debt Management Strategy* provides details on federal borrowing and investment policies for the coming fiscal year and is based on extensive consultations with market participants. A summary of the views expressed is available on the Bank of Canada website at www.bankofcanada.ca/en/notices_fmd/2006/not060406.html.

The *Debt Management Strategy* is available free of charge on the Department of Finance Canada website.

For further information, media may contact:

Eric Richer
Press Secretary
Office of the Minister of Finance
(613) 996-7861

David Gamble
Media Relations
Department of Finance Canada
(613) 996-8080

If you would like to receive automatic e-mail notification of all news releases, please visit the Department of Finance Canada website at www.fin.gc.ca/scripts/register_e.asp

---

Last Updated: 2006-04-07 Important Notices